



Billing Code 4710-27

DEPARTMENT OF STATE

[Public Notice: 9938]

Imposition of Nonproliferation Measures Against Rosboronexport, Including a Ban on U.S. Government Procurement

AGENCY: Department of State.

ACTION: Notice.

SUMMARY: A determination has been made that a foreign person has engaged in activities that warrant the imposition of measures pursuant to Section 3 of the Iran, North Korea, and Syria Nonproliferation Act. The Act provides for penalties on foreign entities and individuals for the transfer to or acquisition from Iran since January 1, 1999; the transfer to or acquisition from Syria since January 1, 2005; or the transfer to or acquisition from North Korea since January 1, 2006, of goods, services, or technology controlled under multilateral control lists (Missile Technology Control Regime, Australia Group, Chemical Weapons Convention, Nuclear Suppliers Group, Wassenaar Arrangement) or otherwise having the potential to make a material contribution to the development of weapons of mass destruction (WMD) or cruise or ballistic missile systems. The latter category includes (a) items of the

same kind as those on multilateral lists but falling below the control list parameters when it is determined that such items have the potential of making a material contribution to WMD or cruise or ballistic missile systems, (b) items on U.S. national control lists for WMD/missile reasons that are not on multilateral lists, and (c) other items with the potential of making such a material contribution when added through case-by-case decisions.

DATES: Effective Date: March 21, 2017

FOR FURTHER INFORMATION CONTACT: On general issues: Pam Durham, Office of Missile, Biological, and Chemical Nonproliferation, Bureau of International Security and Nonproliferation, Department of State, Telephone (202) 647-4930. For U.S. Government procurement ban issues: Eric Moore, Office of the Procurement Executive, Department of State, Telephone: (703) 875-4079.

SUPPLEMENTARY INFORMATION: On March 21, 2017 the U.S. Government applied the measures authorized in Section 3 of the Iran, North Korea, and Syria Nonproliferation Act (Pub. L. 109-353) against the following foreign person identified in the report submitted pursuant to Section 2(a) of the Act:

Rosoboronexport (ROE) (Russia) and any successor, sub-unit, or subsidiary thereof.

Accordingly, pursuant to Section 3 of the Act, the following measures are imposed on these persons:

1. No department or agency of the United States Government may procure or enter into any contract for the procurement of any goods, technology, or services from this foreign person, except to the extent that the Secretary of State otherwise may determine. This measure shall not apply to subcontracts at any tier with ROE and any successor, sub-unit, or subsidiary thereof made on behalf of the United States Government for goods, technology, and services for the maintenance, repair, overhaul, or sustainment of Mi-17 helicopters for the purpose of providing assistance to the security forces of Afghanistan, as well as for the purpose of combating terrorism and violent extremism globally. Moreover, the ban on U.S. government procurement from the Russian entity Rosoboronexport (ROE) and any successor, sub-unit, or subsidiary thereof shall not apply to United States Government procurement of goods, technology, and services for the purchase, maintenance, or sustainment of the Digital Electro Optical Sensor OSDCAM4060 to improve the U.S. ability to monitor and verify Russia's Open Skies Treaty compliance. Such subcontracts include the purchase of spare parts, supplies, and related services for these purposes;

2. No department or agency of the United States Government may provide any assistance to this foreign person, and this person shall not be eligible to participate in any assistance program of the United States Government, except to the extent that the Secretary of State otherwise may determine;

3. No United States Government sales to this foreign person of any item on the United States Munitions List are permitted, and all sales to this person of any defense articles, defense

services, or design and construction services under the Arms Export Control Act are terminated; and

4. No new individual licenses shall be granted for the transfer to this foreign person of items the export of which is controlled under the Export Administration Act of 1979 or the Export Administration Regulations, and any existing such licenses are suspended.

These measures shall be implemented by the responsible departments and agencies of the United States Government and will remain in place for two years from the effective date, except to the extent that the Secretary of State may subsequently determine otherwise.

Ann K. Ganzer,

*Acting Assistant Secretary of
State for International Security
and Nonproliferation*

[FR Doc. 2017-06224 Filed: 3/28/2017 8:45 am; Publication Date: 3/29/2017]